

STATE OF TENNESSEE
PUBLIC CHAPTER NO. 355
SENATE BILL NO. 774

By Overbey, Burks

Substituted for: House Bill No. 1110

By Shepard

AN ACT to amend Tennessee Code Annotated, Title 56, relative to pharmacy benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, is amended by adding the following as a new part to be appropriately designated:

56-7-3201. As used in this part, unless the context otherwise requires:

(1) "Actual reimbursement" means the total amount that a covered entity or pharmacy benefits manager determines that a pharmacy or other dispenser will receive consistent with the provider agreement, and is the sum of the amount the covered entity or pharmacy benefits manager will pay directly to the pharmacy or other dispenser plus any applicable patient out-of-pocket cost paid directly by the patient to the pharmacy or other dispenser, for dispensing of a particular prescription or providing of a covered service;

(2) "Covered entity" means a covered entity, as defined in § 56-7-3102; and

(3) "Pharmacy benefits manager" means a pharmacy benefits manager as defined in § 56-7-3102.

§ 56-7-3202.

(a) When a patient's out-of-pocket cost for a prescription or covered service is percentage-based, the covered entity or pharmacy benefits manager shall calculate the out-of-pocket cost such that when the out-of-pocket cost is added to the amount that the covered entity or pharmacy benefits manager will directly pay to the pharmacy or other dispenser the sum will equal the actual reimbursement.

(b) The requirements of this section shall not apply when patient out-of-pocket cost for a prescription or covered service is percentage-based for only a specified portion or pre-defined subset of drug tiers or specialty drug categories and the remainder of the covered drug prescriptions or services available to the patient are associated with pre-defined and specific out-of-pocket costs.

56-7-3203. A covered entity or pharmacy benefits manager shall not in any way restrict, by contract or otherwise, any pharmacy or other dispenser from disclosing to the patient or authorized representative of the patient the actual reimbursement for a particular prescription or covered service. A pharmacy or other dispenser may disclose the actual reimbursement either orally or in writing on any document, including, but not limited to, a receipt, patient profile and summary of the patient's expenditures for prescriptions or covered services.

§ 56-7-3204. The requirements of this part shall only be construed to apply to policies, contracts and certificates executed, delivered, issued for delivery or renewed in this state on or after January 1, 2010.

§ 56-7-3205. The requirements of this section shall only be construed to apply to policies, contracts and certificates executed, delivered, issued for delivery or renewed in this state on or after January 1, 2010.

SECTION 2. This act shall take effect January 1, 2010, the public welfare requiring it.

PASSED: May 21, 2009



RON RAMSEY
SPEAKER OF THE SENATE



KENT WILLIAMS, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 5th day of June 2009



PHIL BREDESEN, GOVERNOR